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**FISCAL IMPACT STATEMENT**

**LS 7442**

**BILL NUMBER:** SB 485

**NOTE PREPARED:** Apr 7, 2011

**BILL AMENDED:**

**SUBJECT:** State Library Foundation.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:** Rep. Saunders

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** *Nonprofit Foundation-* The bill authorizes the Indiana Library and Historical Board (ILHB) to establish a nonprofit foundation to solicit and accept private funding. The bill allows certain funds to be transferred to the foundation. The bill provides that the foundation is governed by a board of directors.

*State Board of Accounts-* The bill requires the State Board of Accounts (SBOA) to annually audit the foundation.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *Nonprofit Foundation-* The Governor would appoint the initial members to the nonprofit foundation proposed by the bill. There would be seven voting members on the foundation. The State Treasurer would serve as an eight nonvoting member. State Library staff would provide administrative support to the foundation board.

*State Board of Accounts-* The SBOA would have to add the foundation to the list of entities that are annually examined by the SBOA. The cost to the SBOA to provide staff to examine the accounting records of the foundation is indeterminable and would depend on the number of days the SBOA needed to conduct the examination.

The SBOA is required by law to annually examine the accounting records of all state agencies, 92 counties, 119 cities, 24 towns with population greater than 5,000, and public hospitals. Additionally, schools, and other entities, such as special districts are examined biennially.

**Explanation of State Revenues:** *Nonprofit Foundation-* The ILHB would be able to solicit and accept as revenue private funding, gifts, donations, bequests, devises, and contributions. Uses of the foundation monies would include the support of the State Library and local libraries in the state. Money in the foundation at the end of a state fiscal year would not revert to the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Nonprofit Foundation-* Applying local libraries could receive grants from the foundation. The amount of grants distributed would depend on the monetary resources available in the foundation and the decision of the foundation board members to make grants.

**State Agencies Affected:** State Library, Indiana Library and Historical Board, State Board of Accounts.

**Local Agencies Affected:**

**Information Sources:** State Board of Accounts.

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